

PHASE I ENVIRONMENTAL SITE ASSESSMENT

**FLINT TRADING, INC.
4686 TURNPIKE COURT
THOMASVILLE, NORTH CAROLINA
January 25, 2013**



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C-257 Geology

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1/25/2013

Ref. No. 2013-001

Rob Mantek
Flint Trading, Inc.
P.O. Box 160
Thomasville, NC 27360

**Re: Phase I Environmental Site Assessment Report
Flint Trading, Inc.
4686 Turnpike Court, Thomasville, NC**

Pyramid Environmental is pleased to submit our report describing the findings of the Phase I Environmental Site Assessment for Flint Trading. This assessment was prepared in general accordance with the American Society of Testing and Materials (ASTM) Standard Practices for Environmental Site Assessments: Phase I ESA Process (ASTM Designation: E1527-2005).

The purpose of the Phase I ESA was to gather sufficient information to render an independent professional opinion about the environmental condition of the property. This assessment included a site reconnaissance as well as research and interviews with representatives of the public, property management, and regulatory agencies.

If you have any questions or require further clarification of the report findings, please contact Pyramid at 336-335-3174. Thank you for the opportunity to be of service to Flint Trading, Inc.

Yours very truly,

A handwritten signature in black ink, appearing to read "Douglas Canavello".

Douglas Canavello
Principal

A handwritten signature in black ink, appearing to read "Ryan Kramer".

Ryan Kramer
Project Manager

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PHASE I ENVIRONMENTAL SITE ASSESSMENT

**Flint Trading, Inc.
4686 Turnpike Court
Thomasville, Randolph County, North Carolina**

EXECUTIVE SUMMARY

Pyramid Environmental and Engineering, P.C. conducted a Phase I Environmental Site Assessment, in general conformance with the scope and limitations of ASTM Practice E 1527-05, for the property located at 4686 Turnpike Court in Thomasville, Randolph County, North Carolina. The subject property contains one parcel totaling 2.89 acres and is currently owned by LSB Properties, Inc. TD Custom Coatings, which performed liquid and powder coatings for various wooden and metal items, was the previous tenant. The subject property contains two buildings – a metal storage warehouse and a detached metal garage. The property is recorded at the Randolph County Tax Office as Tax Map #6797095193.

At the time of the investigation, LSB Properties, Inc. was the record owner of the subject property and Flint Trading, Inc. was in the process of purchasing the property. Flint Trading, Inc. will operate as a manufacturer of traffic safety markings, from traditional paints and thermoplastics to high-performance formulas and plural components for road and highway striping as well as preformed thermoplastic for transverse markings, heavy-duty intersections, and custom horizontal surface signage. Any exceptions to or deletions from this practice are described in Section 1.4 of this report.

Historical information reviewed as part of this Phase I ESA indicates that the subject site was used for agricultural purposes from at least 1931 to 1986, when the property was sold to McDonald Development of High Point, NC. The subject property has been used for industrial purposes from at least 1992, when the original building was constructed on the subject property. Since 1992, the property has been used for industrial purposes; occupancy from 1992-1996 could not be verified. The subject property was occupied by TD Custom Coatings from 2001 to 2012. Within the last couple of months in 2012 the business and operations shut down. The surrounding area is comprised of a mixture of residential, agricultural, undeveloped/wooded and predominantly industrial properties. The subject property was identified as a generator of hazardous waste when in operation. At the time of the site investigation, the subject property was vacant and the business was not in operation.

On-site Recognized Environmental Conditions

- One empty 500-gallon kerosene aboveground storage tank (AST) was observed outside near the northeast corner of the building.
- Solvent and paint-related chemical drums were located inside the southern portion of the building. Specifically, volatile and non-volatile Hazardous Air Pollutants (HAPs) and Volatile Organic Compounds (VOCs) producing chemicals were observed. The drums contained various types of materials left behind from the previous owners painting operations.

Observations

- Approximately 65 containers (55-gallon drums, 5 gallon buckets, and 30-gallon waste disposal drums) were identified inside the warehouse. Some drums were not labeled and contained liquid.
- Two small dust collector ash piles were observed behind the warehouse. Upon inspection, the material looked like common dust and did not have an odor.
- Miscellaneous debris was located outside the warehouse near the truck loading docks. The debris appeared to be typical household trash such as tires, plastic bags, wooden pallets and garbage cans.
- The empty 500-gallon kerosene aboveground storage tank located on the subject property seemed to be in good working condition. No soil staining or petroleum odors were evident during the site inspection.

Recommendations

- According to Mr. Rob Mantek, liquid and solid samples were collected by A&D Environmental Services (A&D) from the unlabeled drums and dust collector ash piles. The laboratory results indicated that the drummed liquid materials were typical VOC solvents and paint-related chemicals. The solid ash pile samples results contain non-hazardous materials and therefore no special disposed requirements are necessary. Since the liquid sample results were identified as containing VOCs, A&D will need to carefully remove the drums to avoid spillage and dispose of the materials according to North Carolina guidelines.
- Pyramid recommends a third-party contractor be on-site after the drum removal process to conclude no chemicals or products were spilled.

Off-site Recognized Environmental Conditions

This assessment did not reveal any current or historical recognized environmental conditions associated with off-site properties.

1.0 INTRODUCTION

This report documents the results of a Phase I Environmental Site Assessment in general conformance with the scope and limitations of ASTM Practice E 1527-05 for the subject property located at 4686 Turnpike Court in Thomasville, Randolph County, North Carolina (**Figure 1**). The purpose of a Phase I Environmental Site Assessment is to identify, to the extent feasible pursuant to ASTM Practice E 1527-05, recognized environmental conditions in connection with the property. A Phase I ESA is performed to ASTM Practice E 1527-05 standards is to satisfy pre-purchase due diligence requirements, qualify for an Landowner Liability Protection (LLP) to CERCLA liability and/or to understand potential environmental conditions that could materially impact the operation of the business associated with the parcel of commercial real estate.

1.1 Purpose

The purpose of this ESA was to identify recognized environmental conditions and certain environmental conditions outside the scope of ASTM Practice E 1527-05 in connection with the property at the time of the site reconnaissance. This practice is intended to permit a user to satisfy one of the requirements to qualify for the innocent landowner, contiguous property owner, or bona fide prospective purchaser limitations on CERCLA liability (also known as “landowner liability protections” or LLPs): that is the practice that constitutes “all appropriate inquiry (AAI) into the previous ownership and uses of the property consistent with good commercial or customary practice” as identified at 42 U.S.C. §9601(35)(B). The Phase I ESA, by itself, does not qualify the purchaser for CERCLA liability protection. The purchaser may have continuing obligations after purchase. A recognized environmental condition, as defined by this practice, means the presence or likely presence of any hazardous substances or petroleum products on a property under conditions that indicate an existing release, a past release, or a material threat of a release of any hazardous substances or petroleum products into structures on the property or into the ground, groundwater, or surface water of the property. The term is not intended to include de minimus conditions that generally do not present a threat to human health or the environment and that generally would not be the subject of an enforcement action if brought to the attention of appropriate governmental agencies. Conditions determined to be de minimus are not recognized environmental conditions. This includes conditions in compliance with all applicable laws.

1.2 Detailed Scope-of-Service

This ESA was conducted utilizing a standard of good commercial and customary practice that was consistent with the ASTM Standard Practice E 1527-05. Any significant scope-of-work additions, deletions or deviations to ASTM Practice E 1527-05 are noted below or in the corresponding sections of this report. The scope-of-work for this assessment included an evaluation of the following:

- Physical characteristics of the property through a review of referenced sources for topographic, geologic, soils and hydrologic data.

- Site history through a review of referenced sources such as property tax records, chain-of-title records, fire insurance maps, city directories, aerial photographs, prior reports and interviews.
- Current site conditions including observations and interviews regarding the presence or absence of hazardous substances or petroleum products; generation, treatment, storage, or disposal of hazardous, regulated, or medical waste; equipment that utilizes oils which potentially contain PCBs; and storage tanks (aboveground and underground).
- Usage of surrounding area properties and the likelihood for releases of hazardous substances and petroleum products (if known and/or suspected) to migrate onto the property.
- Information in referenced environmental agency databases and local environmental records, within specified minimum search distances.

1.3 Significant Assumptions

The scope of work is intended to conform to the ASTM Standard Practice E 1527-05 '**Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process**' and any amendments to said practice. This assessment has no significant departures or deletions from, nor any exceptions or additions to this practice. Findings within this report are based on information collected from observations made on the day of the site investigation and from reasonably ascertainable information obtained from governing public agencies and referenced sources.

This report is not definitive and should not be assumed to be a complete or specific definition of all conditions above or below grade. Subsurface conditions may differ from the conditions implied by the surface observations and can only be reliably evaluated through intrusive techniques. Information in this report is not intended to be used as a construction document and should not be used for demolition, renovation, or other construction purposes.

1.4 Limitations and Exceptions

The ASTM Phase I Standard recognizes that "no Environmental Site Assessment can wholly eliminate uncertainty regarding the potential for recognized environmental conditions." The Standard states that it is designed to "reduce, but not eliminate" uncertainty, and it recognizes "reasonable limits of time and cost" in the Phase I process. The Phase I ESA is valid for a period of 1 year for the report with a 180-day shelf life for certain components, which include interviews, environmental liens, review of government records, site visit, declaration/signature by EP.

1.5 Activity & Use Limitations

Activity and use limitations are legal or physical restrictions or limitations on the use of, or access to, a site or facility. Activity and use limitations are designed to (1) reduce or eliminate the potential exposure to hazardous substances or petroleum products in the soil or groundwater on the property, or (2) to prevent activities that could interfere with the effectiveness of a response action, in order to ensure maintenance of a condition of no significant risk to public health or the environment. These legal restrictions, which may include institutional and/or engineering controls, are intended to prevent adverse impacts to individuals or populations that

may be exposed to hazardous substances and petroleum products in the soil or groundwater on the property.

No activity or use limitations were identified for the subject property.

1.6 Environmental Professional Qualifications

The Environmental Site Assessment must be performed by the Environmental Professional (EP) or conducted under the supervision or responsible charge of the EP. An EP is a person who possesses sufficient specific education, training, and experience necessary to exercise professional judgment to develop opinions and conclusions regarding conditions indicative or releases or threatened releases on, at, in, or to a property, sufficient to meet the objectives and performance factors in §312.20(e) and (f).

I, Douglas A. Canavello, declare that, to the best of my professional knowledge and belief, I meet the definition of an EP as defined in §312.10 of 40 CFR 312 and I have the specific qualifications based on education, training, and experience to assess a property of the nature, history, and setting of the subject property. I have developed and performed the all appropriate inquiries in conformance with the standards and practices set forth in 40 CFR Part 312. A statement of qualifications is included in **Appendix A**.

1.7 Special Terms and Conditions

This report is prepared for and made available solely for use by Flint Trading, Inc. and their designees. The contents thereof may not be used or relied upon by any other person without the express written consent and authorization of the consultant. The observations, conclusions, and recommendations documented in this report are based on site conditions and information reviewed at the time of Pyramid's investigation. An EP is not required to verify independently the information provided but may rely on information provided unless he or she has actual knowledge that certain information is incorrect. Pyramid Environmental and Engineering, P.C. appreciates the opportunity to provide this environmental service.

1.8 User Reliance

The "User" as defined in this assessment is the Flint Trading, Inc. This report is intended only for the use and benefit of, and may be relied upon by, Flint Trading, Inc. of Thomasville, NC and any other party specifically identified in writing by Pyramid as a User of this report. Pyramid cannot and will not be liable for unauthorized reliance by any other third party.

2.0 SITE DESCRIPTION

2.1 Location and Legal Description

Address: 4686 Turnpike Court in Thomasville, NC
County name: Randolph
Tax Map Number 6797095193 (see **Figure 2**)
Acreage: 2.89

2.2 Physical Setting Sources

Site Geology

Pyramid's review of the 1985 Geologic Map of North Carolina yielded information concerning local geology and hydrogeology. Based on this review, the site is located in the Carolina Slate Belt of North Carolina. The surface geology consists of regional soils created by the weathering of underlying bedrock. This belt consists of heated and deformed volcanic and sedimentary rocks. It was the site of a series of oceanic volcanic islands about 550-650 million years ago.

In general, both surface and groundwater flow directions are controlled by topographic contours of land forms in the Piedmont with flow occurring perpendicular to the contours from high to low elevations. Surface run-off on the subject site generally flows to the southwest and is directed by municipal storm drains, open ditches and surface topography into an unnamed tributary of Hamby Creek.

Many structural features such as faults, joints and fractures, can significantly enhance groundwater flow rates. Without very specific site information, only limited statements can be made with respect to groundwater flow at the subject property. Determination of groundwater quality and flow rates was beyond the scope of this assessment.

Topography

<i>USGS Quadrangles</i>	High Point West, NC 1969 photo revised 1987
<i>Range of Elevation</i>	950 feet
<i>Surface Gradient:</i>	southwest

Wetlands

Wetlands determination is outside the ASTM scope for a Phase I Site Assessment. According to the Thomasville National Wetlands Inventory Online Mapper, produced by the Department of Interior, the subject property does not include designated wetlands. If there is a need for confirmation of wetland status for this property, a site-specific wetland determination can be arranged. A copy of the Wetlands Map is included as **Appendix B**.

Flood Plain

<i>Community Panel No.</i>	3710679700J
<i>Flood Zone</i>	Zone X: Areas determined to be outside the 500-year flood plain.
<i>Date</i>	January 2, 2008

A copy of the FEMA Firmette showing the subject property is included as **Appendix C**.

Watershed

According to the High Point West, NC Designated Topographic Map, the subject site is located in the Hamby Creek watershed area, a class C water supply watershed. Specific information regarding the watershed ordinances and development within non-water supply watersheds or designated water supply watersheds can be obtained from the Watershed Protection Engineer at the Randolph County Planning and Development Department.

2.3 Site and Vicinity General Characteristics

The subject property is located at 4686 Turnpike Court in Thomasville, North Carolina (Figure 1). The subject property is accessible by way of Turnpike Court to the west. The surrounding area includes a mixture of residential, agricultural, wooded/undeveloped and predominantly industrial properties.

2.4 Description of Structures, Roads & Improvements

General Description of Structures

The subject property is comprised of two one-story buildings that contain approximately 25,375 square feet. The 25,000 square foot building was used for painting and coating operations and office space but now is vacant. The 375 square foot shed is used for storage of an antique car frame and parts, children's toys, and other miscellaneous household-type items. The following is a description of the buildings:

The main building contains 25,000 square feet and has a concrete slab on grade with spread footings and a combination of metal and masonry exterior walls. The roof is pre-finished metal over steel trusses. The interior walls are sheetrock and unfinished. The floors are a combination of finished concrete and concrete covered by carpeting. The building is heated by forced air natural gas and cooled using central air. Electricity is provided by Duke Energy and water is supplied by Davidson County. Liquid waste is disposed of through a septic system shared with the two western adjacent businesses, with a drainage field beyond these properties.

Roads

The subject property is accessible by way of Turnpike Court to the west.

2.5 Current and Past Use of the Property/Vicinity

The subject property is owned by LSB Properties, Inc. and is currently unoccupied. Mr. Rob Mantek with Flint Trading, Inc. guided a Pyramid representative during the site investigation. According to historical research, the subject property was constructed in 1992 and has been used for industrial purposes since this date. The property was used as a storage warehouse including office space up until late 2012. Most recently, the property was occupied by T.D. Custom Coatings, Inc. from 2001 until 2012. Prior to 1992, the property was wooded and undeveloped.

<i>North</i>	Industrial and residential properties within ½ mile
<i>East</i>	Agricultural and Industrial properties within ½ mile
<i>South:</i>	Industrial undeveloped and residential properties within ½ mile
<i>West</i>	Industrial properties within ½ mile

2.6 Historical Use Information on the Property

The following sources were used during this investigation:

Tax Records

<i>Locations Reviewed</i>	Randolph County Register of Deeds Online
<i>Earliest Data Found:</i>	1931

Aerial Photographs

<i>Locations Reviewed</i>	Randolph County GIS & Randolph County Soil and Water Conservation and Farm Service Bureau
<i>Years Reviewed:</i>	2012, 2010, 2006, 2002, 1998, 1993, 1983, 1968, 1965, and 1948.
<i>Year Included as Figure 3:</i>	2010

Appendix D includes the available historical aerials and topographic maps

Maps

<i>Locations Reviewed</i>	Randolph County Tax Mapping Department
<i>Tax Map Scale:</i>	1" = 400'
<i>USGS 7.5-minute Topographic Map:</i>	High Point West, NC
<i>USGS Topographic Map Scale:</i>	1" = 2,000'

City Directories

City directories were not reviewed since the site history was confirmed through aerial photographs, tax records and interviews. The property has been used for industrial purposes since 1992, prior to which the subject property was agricultural use.

Sanborn Maps

Sanborn Maps were originally created for assessing fire insurance liability in urbanized areas in the United States. The maps include detailed information regarding town and building information in approximately 12,000 U.S. towns and cities from 1867 to 2007. Sanborn Map coverage for Thomasville does not included coverage for the subject property.

2.7 Chain-of-title

As part of this Phase I Environmental Site Assessment, a chain-of-title review was performed to the limits of readily accessible records from the Randolph County Tax Department and Register of Deeds. Copies of the deed records are presented in chronological order in **Appendix E**.

TABLE 1: Ownership for Subject Property (4686 Turnpike Court)

Tax Map No.:	Grantee	Deed Book– Page	Date
# 6797095193	LSB Properties, Inc.	2280 - 1362	April 10, 2012
	Gates Properties of Trinity, LLC	2036 – 603	July 27, 2007
	Miller Desk, Inc.	1580 – 158	October 30, 1998
	H. Clifton Stewart, Sr. & Wife, Eva Mae Stewart	1454 – 836	May 1, 1996
	C&M Investments of High Point, Inc.	1313 – 1021	December 12, 1991
	C. Wayne McDonald Contractor	1221 – 932	April 12, 1988
	McDonald Development of High Point, Inc.	1194 – 56	December 31, 1986
	E.C. Craven	250 - 260	April 2, 1931

There were no environmental liens reported by the client or discovered during the historical research of the subject property.

2.8 Previous Environmental Investigations

Two previous environmental investigations were discovered for the subject property.

A Phase II Environmental Site Assessment was performed for Miller Desk Company in July 1998. The report, dated July 7, 1998, indicated that outdoor storage of containers from the previous operation were observed on the concrete pad adjacent to the southern wall of the building. Soil sampling in the area of the observed containers indicated no contamination.

Pyramid completed a Phase I Environmental Site Assessment on the subject property on July 16, 2007. The assessment indicated one approximately 500-gallon kerosene aboveground storage tank (AST) near the northeast corner of the building. Empty solvent drums were located on the eastern wall of the building. The drums previously contained MEK used for the painting operations. Additional empty solvent drums were located on the northern adjacent property, topographically up gradient. Used paint filters were located in drums on southern side of building. These filters were reportedly being soaked to neutralize flammability prior to placement in the solid waste dumpster. Debris was observed throughout the eastern side of the subject property. Most of the debris was in the grassy area. Two piles of debris were covered with vegetation. It appeared that the debris was from old palettes and outdated equipment. More

debris was observed surrounding the trailer east of the building. This appeared to be construction debris. This assessment did not reveal any current or historical recognized environmental conditions associated with the subject site.

If the user is aware of any specialized knowledge or experience that is material to recognized environmental conditions in connection with the property, it is the user's responsibility to communicate any information based on such specialized knowledge or experience to the EP. The user should do so before the EP conducts the site reconnaissance. The client provided no specialized knowledge.

The client did not provide information regarding valuation reduction for environmental issues. The value of the subject property has not been diminished by the presence of any environmental issues. The user questionnaire was completed by Rob Mantek and is included in **Appendix F**.

3.0 RECORDS REVIEW

As part of the Phase I Environmental Site Assessment, a background review to identify on-site and potential off-site sources of environmental contamination was performed. The background review included Federal and Non-Federal database searches in accordance with the American Society for Testing and Materials (ASTM) standards. Environmental Data Resources, Inc. (EDR) is a commercially available database service was used for the search. The subject property is not listed on any of the databases searched as part of this Phase I ESA. A copy of the Environmental EDR Report is included in **Appendix G**. A description of each database searched is included in the EDR Report.

Environmental and regulatory agencies of the State of North Carolina were contacted to determine if any environmental problems were known to exist or have formerly existed at the subject property. The following applicable issues were addressed:

- Air Quality
- Groundwater Quality
- Surface Water Quality
- Solid Waste
- Surface Spills
- Hazardous Waste Storage and Disposal
- Underground Storage Tanks

3.1 Federal

Federal Databases Searched	Search Radius	Quantity listed	Item no. below
Federal National Priority List (NPL)	1 mile	No sites listed	N/A
Federal Delisted NPL Sites	½ mile	No sites listed	N/A
Federal CERCLIS List	½ mile	No sites listed	N/A
Federal CERCLIS NFRAP List	½ mile	No sites listed	N/A
Federal RCRA CORRACTS	1 mile	No sites listed	N/A
Federal RCRA NON-CORRACTS TSD	½ mile	No sites listed	N/A
Federal RCRA Generators	Target Property /Adjoining Properties	No sites listed	N/A
U.S. EPA ERNS	Target Property	No sites listed	N/A
Federal Institutional Controls/Engineering Control Registries	Target Property	No sites listed	N/A

3.2 State

State Databases Searched	Search Radius	Quantity listed	Item no. below
State & Tribal Equivalent NPL (Hazardous Waste)	1 mile	2 sites listed	1 & 2
State & Tribal Equivalent CERCLIS (Hazardous Waste)	½ mile	1 site listed	3
State & Tribal Equivalent CERCLIS (Hazardous Waste)	½ mile	No sites listed	N/A
State & Tribal Landfill (Solid Waste)	½ mile	No sites listed	N/A
State & Tribal Registered USTs	Target Property /Adjoining Properties	No sites listed	N/A
State & Tribal Leaking USTs (LUST)	½ mile	3 sites listed	4 - 6
State & Tribal Institutional Controls/Engineering Control Registries	Target Property	No sites listed	N/A
State & Tribal Voluntary Cleanup Sites	½ mile	No sites listed	N/A
State & Tribal Brownfield Sites	½ mile	No sites listed	N/A

State & Tribal Equivalent NPL

1. Masonite Corp. Custom Component is located at 0.889 miles southwest from the subject property. Masonite Corp. is part of the Furniture Industry, specializing in furniture manufacturing, finishing and restoration. This site was added to the State Hazardous Waste site in January 1988. No additional information was available in the EDR report.
2. Lilly Company Drum Recondition Plant is 0.87 miles southwest from the subject property. No additional information was available in the EDR report.

State & Tribal Equivalent CERCLIS

3. Component Concepts is located at 200 Mason Way 0.876 miles southwest from the subject property. This site was added to the Non NPL CERCLIS in November 1990. No additional information was available in the EDR report.

State & Tribal Leaking USTs (LUST)

4. Murrow Property, W.C. is located at 7898 Turnpike Road, 0.42 miles northeast. Contamination was identified during the removal of a diesel UST. The release was detected in March 1994. No supply wells were affected and in 1996, the incident was listed as Closed Out.

5. McEwen Lumber Company is located at 5037 Prospect Road in High Point, NC, 0.28 miles northeast. Petroleum contamination was identified during a tank removal for this commercial property. The release was detected in March 11/8/93 and the incident was listed as Closed Out on 12/2/98.
6. W. Wayne Transportation is located at 7867 Turnpike Road, 0.35 miles northeast. Contamination was identified during the removal of 11 diesel USTs. Groundwater and soil contamination had been detected. The release was detected in January 1994. No supply wells were affected and in 1995, the incident was cleaned up in 2001 but a Close Out was not reported.

A review of the non-geocoded or unmapped sites in the EDR report did not reveal any incidents on or near the subject property.

On January 4, 2013, Pyramid researched the NCDENR Raleigh Central Office database of Registered USTs in North Carolina. The subject property contained no USTs on record in their database.

On January 8, 2013, Pyramid interviewed Michael Rodgers, Hydrogeologist for the NCDENR Winston-Salem Regional Office regarding incidents or spills on the subject property. He indicated that the subject property was not found on any databases regarding leaking petroleum USTs or spills.

3.3 Local

There were no environmental permits discovered concerning the subject property. According to the Randolph County Planning and Zoning Department, the subject property is zoned "Industrial".

4.0 SITE RECONNAISSANCE

4.1 Methodology and Limiting Conditions

Ryan Kramer, of Pyramid Environmental and Engineering, P.C. of Greensboro, North Carolina inspected the subject property on January 14, 2013. Photographs taken during the site inspection are included in **Appendix H**. Information to support the Phase I Site Assessment was obtained primarily through the following activities:

- Inspection of the grounds to observe current site conditions.
- Survey of the area immediately surrounding the property for visible evidence of environmental concerns.
- Interviews with those who are familiar with historical and current operations of the property and adjoining property owners as necessary.

4.2 Hazardous Substances and Petroleum Products

Volatile and non-volatile HAP and VOC producing chemicals were observed onsite. 55-gallon drums, 5-gallon drums and boxes of powder coat were observed in the warehouse. At the time of the site inspection, 55-gallon drums containing liquid phosphate, boiler chemicals, aerosols, herbicides, waste paint-related materials and 5-gallon drums of paint were observed in the southern portion of the warehouse. A&D Environmental Services (A&D) was contracted to do a customer waste inventory. Most of the drums and small containers were secured and labeled. Some of the drums were not labeled so liquid samples were collected and analyzed. The analysis indicated that the liquids in the unlabeled drums were non-hazardous paint-related chemicals such as 2-Butanone, Ethylbenzene, Toluene, and Xylenes. A&D has agreed to remove and properly dispose of the drums. The customer waste inventory and laboratory results are included as **Appendix I**.

Outside the western wall of the warehouse, a 55-gallon drum dust collector had spilled during its removal. A gray ash pile has remained on the ground since the spill. A&D collected a composite sample of the material to be analyzed. The laboratory results indicated that the substance is a non-metal, non-hazardous material. The customer waste inventory and laboratory results are included as **Appendix I**.

No migrating hazardous substances were identified on the subject property.

4.3 Storage Tanks

4.3.1 Underground storage tanks

No aboveground storage tanks were observed at the time of site inspection.

4.3.2 Aboveground storage tanks

One approximately 500-gallon Kerosene AST was observed outside near the northeast corner of the building. The AST was empty at the time of site inspection as it was during the 2007 Phase I ESA site inspection. The kerosene is used to fuel space heaters. The space heaters were used to heat the building when T.D. Custom Coatings was not in operation to keep materials from freezing. The AST was not equipped with designated spill containment. No soil staining beneath the tank or corrosion was identified during the site inspection.

4.4 Polychlorinated Biphenyls (PCBs)

Fluorescent lights were observed in the office area of the building. Fluorescents light ballasts are a potential source of PCBs. Pyramid was unable to inspect the light ballasts for a PCB label, but they appeared to be in good condition.

4.5 Solid and liquid Waste Disposal

A solid waste dumpster is typically used on the subject property however; no dumpster was found during the site inspection. Domestic liquid waste is disposed of through the septic system shared with two adjacent western buildings. The septic lines drain into a field beyond the adjacent building properties.

4.6 Asbestos/Lead Based Paint

Asbestos and lead-based paint sampling was outside the scope of the work described in the ASTM guidelines for performing Phase I Environmental Assessments.

In the mid-1970s several major kinds of asbestos materials, such as spray-applied insulation, fireproofing, and acoustical surfacing material, were banned by EPA because of growing concern about health effects, particularly cancer, associated with exposure to such materials. In July 1989, EPA promulgated the Asbestos Ban and Phase-down Rule. The rule applies to new product manufacture, importation, and processing, and essentially banned almost all asbestos-containing products in the United States by 1997. This rule does not apply to removal of asbestos containing materials (ACMs) currently in place in buildings. Based on the construction date of the building (1992), ACMs should not be present.

In 1978, Congress passed amendments to the Lead-Based Paint Poisoning Prevention Act prohibiting the manufacture and sale of paints containing lead. The Act applies to property that was constructed or substantially rehabilitated prior to 1978. Based on the construction date of the building (1992), Lead-Based Paint (LBP) is unlikely.

4.7 Mold

No mold was observed at the time of site inspection.

4.8 Debris

Minor debris was observed throughout the eastern side of the subject property. The debris was in the uncut grassy area where old palettes and wooden boards were discarded. Most of the outdoor debris was observed near the loading docks south of the building. This appeared to be typical household trash such as tires, plastic bags, wooden pallets and garbage cans. Rob Mantek stated that Flint Trading, Inc. would be responsible for clearing the outdoor debris.

4.9 Stressed Vegetation/Soil Staining

No stressed vegetation or soil staining were observed at the time of site inspection.

4.10 Surface Water

No surface water was observed at the time of site inspection.

5.0 VAPOR ENCROACHMENT CONCERNS

No potential Vapor Encroachment Concerns were identified within the prescribed search distance of 1/3 of a mile for chemicals of concern and 1/10 of a mile for petroleum hydrocarbon chemicals of concern.

6.0 INTERVIEWS

6.1 Interview with Site Contact

On January 14, 2013, Rob Mantek provided access to the site, guided the Pyramid representative during the site inspection and provided general knowledge about current facility operations and historical information. Mr. Mantek was the site contact and potential buyer for the subject property. According to Mr. Mantek and based on historical research, the subject property was used for industrial purposes since the building was constructed in 1992. T.D. Custom Coatings had occupied the property since the 2001 and left the subject property in 2012. Mr. Mantek completed the User Questionnaire, which is included in **Appendix F**.

6.2 Interview with County Representative

On January 8, 2013, Pyramid interviewed Michael Rogers, with the NC DENR – UST Section. Mr. Rodgers was contacted regarding incidents or spills on the subject property. He indicated that the UST and RAST databases found nothing under the subject properties address.

6.3 Interview with Fire Inspector

On January 15, 2013, Pyramid interviewed the Assistant Chief Inspection/Maintenance, Mike Witcher from the Guil-Rand Fire Department. Mr. Witcher was familiar with the properties previous owners. He stated that he never responded to the property regarding incidents/spills, fire, chemical or medical. Mr. Witcher also conducts inspections at the subject property every January and has always passed the facility.

7.0 DATA GAPS

Data gaps occur when all of the standard historical sources that are reasonably ascertainable and likely to be useful have been reviewed and yet the objectives have not been met. A data gap was identified for the years 1992-1996. There is no occupant history for the property for this time period. A former environmental report indicated that there were no tanks on the property and that the facility was listed at a small generator of hazardous waste. According to the previous Phase I ESA, the owner indicated that the building has always been used as a finishing company; however, a full record of occupancy was not verified. T.D. Custom Coatings has left the property in April 2012.

8.0 FINDINGS & OPINIONS

Pyramid Environmental and Engineering, P.C. conducted a Phase I Environmental Site Assessment, in general conformance with the scope and limitations of ASTM Practice E 1527-05, for the property located at 4686 Turnpike Court in Thomasville, Randolph County, North Carolina. The subject property contains one parcel totaling 2.89 acres and is currently owned by LSB Properties, Inc. TD Custom Coatings, which performed liquid and powder coatings for various wooden and metal items, was the previous tenant. The subject property contains two buildings – a metal storage warehouse and a detached metal garage. The property is recorded at the Randolph County Tax Office as Tax Map #6797095193.

At the time of the investigation, LSB Properties, Inc. was the record owner of the subject property and Flint Trading, Inc. was in the process of purchasing the property. Flint Trading, Inc. will operate as a manufacturer of traffic safety markings, from traditional paints and thermoplastics to high-performance formulas and plural components for road and highway striping as well as preformed thermoplastic for transverse markings, heavy-duty intersections, and custom horizontal surface signage. Any exceptions to or deletions from this practice are described in Section 1.4 of this report.

Historical information reviewed as part of this Phase I ESA indicates that the subject site was used for agricultural purposes from at least 1931 to 1986, when the property was sold to McDonald Development of High Point, NC. The subject property has been used for industrial purposes from at least 1992, when the original building was constructed on the subject property. Since 1992, the property has been used for industrial purposes; occupancy from 1992-1996 could not be verified. The subject property was occupied by TD Custom Coatings from 2001 to 2012. Within the last couple of months in 2012 the business and operations shut down. The surrounding area is comprised of a mixture of residential, agricultural, undeveloped/wooded and predominantly industrial properties. The subject property was identified as a generator of hazardous waste when in operation. At the time of the site investigation, the subject property was vacant and the business was not in operation.

9.0 CONCLUSIONS & RECOMMENDATIONS

Pyramid has performed a Phase I ESA in conformance with the scope and limitations of ASTM Practice E 1527 of 4686 Turnpike Court in Thomasville, NC, the property. Any exceptions to, or deletions from, this practice are described in Section 1.4 of this report.

On-site Recognized Environmental Conditions

- One empty 500-gallon kerosene aboveground storage tank (AST) was observed outside near the northeast corner of the building.
- Solvent and paint-related chemical drums were located inside the southern portion of the building. Specifically, volatile and non-volatile Hazardous Air Pollutants (HAPs) and Volatile Organic Compounds (VOCs) producing chemicals were observed. The drums contained various types of materials left behind from the previous owners painting operations.

Observations

- Approximately 65 containers (55-gallon drums, 5 gallon buckets, and 30-gallon waste disposal drums) were identified inside the warehouse. Some drums were not labeled and contained liquid.
- Two small dust collector ash piles were observed behind the warehouse. Upon inspection, the material looked like common dust and did not have an odor.
- Miscellaneous debris was located outside the warehouse near the truck loading docks. The debris appeared to be typical household trash such as tires, plastic bags, wooden pallets and garbage cans.
- The empty 500-gallon kerosene aboveground storage tank located on the subject property seemed to be in good working condition. No soil staining or petroleum odors were evident during the site inspection.

Recommendations

- According to Mr. Rob Mantek, liquid and solid samples were collected by A&D Environmental Services (A&D) from the unlabeled drums and dust collector ash piles. The laboratory results indicated that the drummed liquid materials were typical VOC solvents and paint-related chemicals. The solid ash pile samples results contain non-hazardous materials and therefore no special disposed requirements are necessary. Since the liquid sample results were identified as containing VOCs, A&D will need to carefully remove the drums to avoid spillage and dispose of the materials according to North Carolina guidelines.

- Pyramid recommends a third-party contractor be on-site after the drum removal process to conclude no chemicals or products were spilled.

Off-site Recognized Environmental Conditions

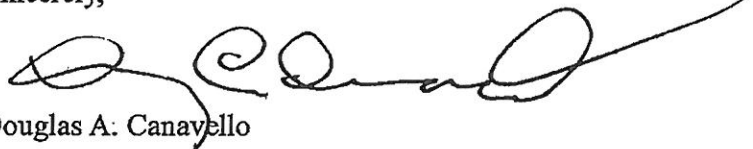
This assessment did not reveal any current or historical recognized environmental conditions associated with off-site properties.

10.0 SIGNATURES

The observations, conclusions, and recommendations documented in this report are based on site conditions and information reviewed at the time of Pyramid's investigation. Pyramid Environmental and Engineering P.C. appreciates the opportunity to provide this environmental service.

We declare that, to the best of our professional knowledge and belief, we meet the definition of Environmental Professional as defined in §312.10 of 40 CFR 312 and we have the specific qualifications based on education, training, and experience to assess a property of the nature, history, and setting of the subject property. We have developed and performed the all appropriate inquiries in conformance with the standards and practices set forth in 40 CFR Part 312.

Sincerely,

A handwritten signature in black ink, appearing to read 'Douglas A. Canavello', with a long, sweeping horizontal line extending to the right.

Douglas A. Canavello

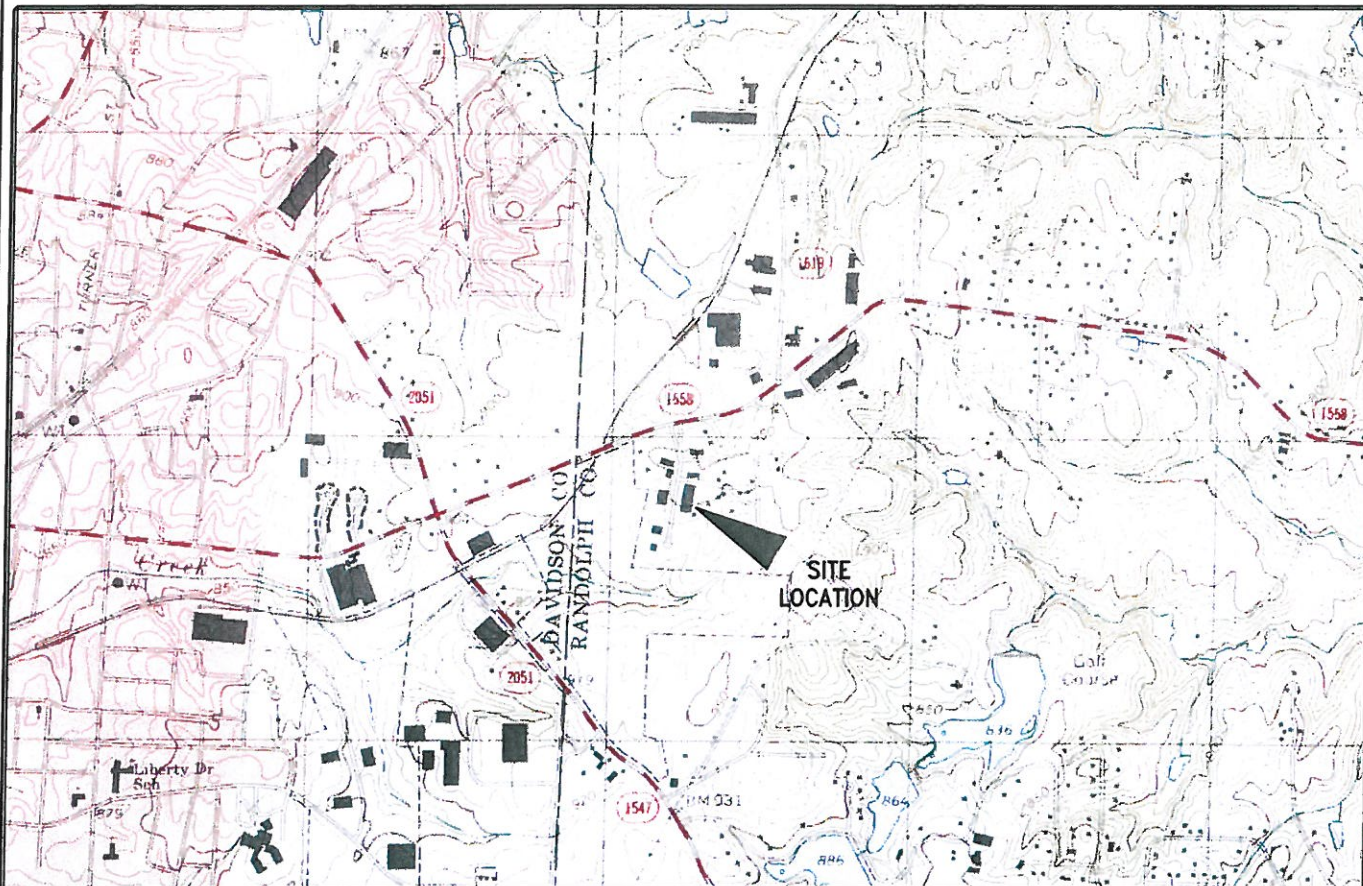
Pyramid Environmental & Engineering, P.C.

FIGURES

USGS TOPOGRAPHIC MAP

SITE: 4686 TURNPIKE COURT

LOCATION: THOMASVILLE, NORTH CAROLINA



USGS IDENTIFICATION

USGS 7.5
MINUTE MAP

ORIGINAL DATE:

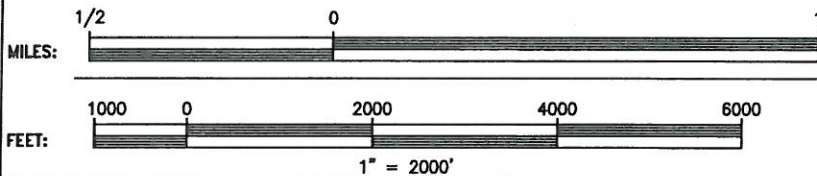
1969

PHOTOREVISION
DATE:

1993

HIGH POINT WEST, NC

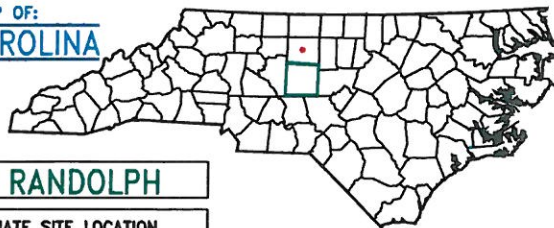
SCALES



NOTES: ► TOPOGRAPHICAL CONTOUR INTERVAL = 10 FEET
► PHOTOREVISIONS DENOTED IN PURPLE

MAGNETIC
NORTH

COUNTY MAP OF:
NORTH CAROLINA



COUNTY: **RANDOLPH**

APPROXIMATE SITE LOCATION



ENVIRONMENTAL & ENGINEERING, P.C.

CLIENT: LEXINGTON STATE BANK

PROPERTY NAME: 4686 TURNPIKE COURT

CITY: THOMASVILLE

STATE: NORTH CAROLINA

TITLE: TOPOGRAPHIC MAP

SCALE:
1"=2000'

DATE:
1/15/13

DRAWING NAME:
USGSTOPO

DRAWN BY: KAM

CHECK BY: RK

400 10-2 2013-001

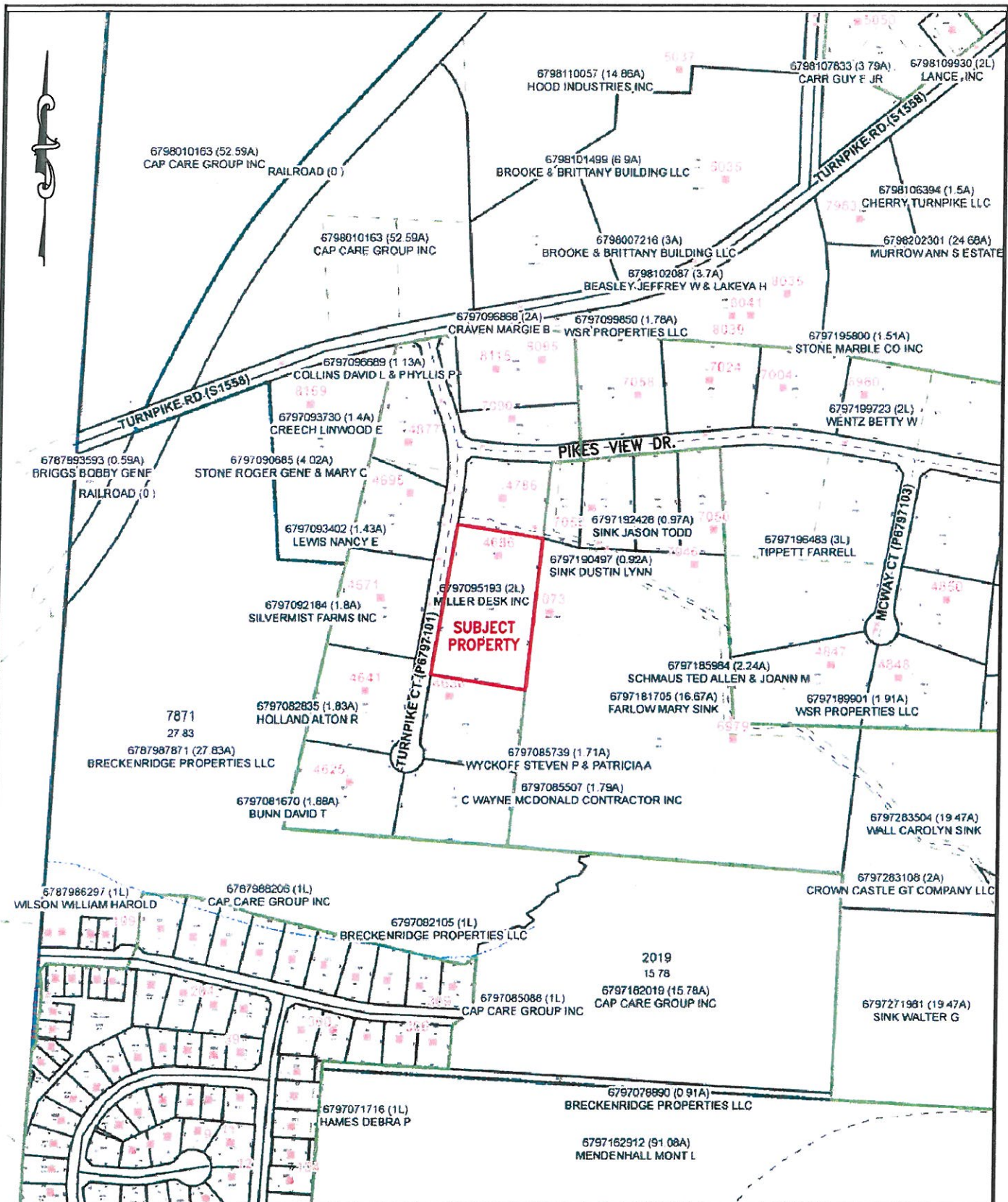
TYPE: PHASE I

FIGURE NUMBER:
1

NOTES

TOPOGRAPHIC MAP USED IN THIS GRAPHIC IS MAPPED, EDITED, AND PUBLISHED BY THE UNITED STATES GEOLOGIC SURVEY, DEPARTMENT OF THE INTERIOR, RESTON VIRGINIA.

THIS MAP COMPLIES WITH NATIONAL MAP ACCURACY STANDARDS.



ENVIRONMENTAL & ENGINEERING, P.C.

LEXINGTON STATE BANK

4686 TURNPIKE COURT

THOMASVILLE

NORTH CAROLINA

TAX MAP

RANDOLPH

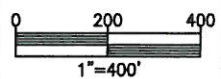
6797095193

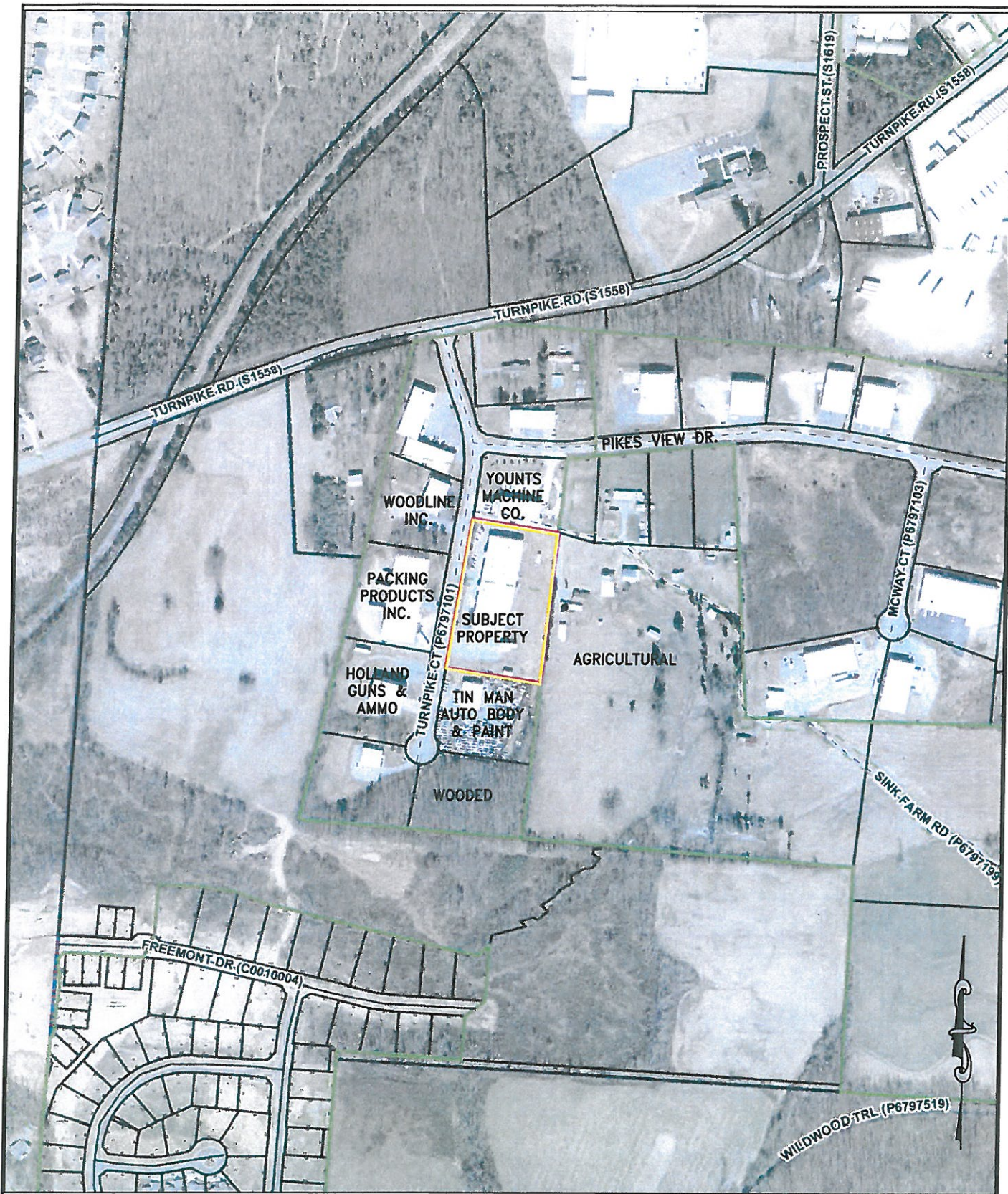
TAX-MAP

2013-001

2

GRAPHIC SCALE IN FEET

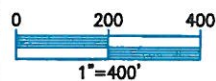




ENVIRONMENTAL & ENGINEERING, P.C.

CLIENT	LEXINGTON STATE BANK	SCALE	1"=400'
SITE	4686 TURNPIKE COURT	DATE	1/15/13
CITY	THOMASVILLE	STATE	NORTH CAROLINA
TITLE	2010 Aerial Photograph	FIGURE	FIGURE 3

GRAPHIC SCALE IN FEET



APPENDIX A
EP Qualifications

DOUGLAS CANAVELLO, P.G.

Company Principal

EDUCATION

MBA, Finance, Tulane University
M.S., Geology, North Carolina State University
B.S., Geology, Duke University

REGISTRATIONS/CERTIFICATIONS

Professional Geologist in NC - No. 1066
Years Experience – 22 years

PROFESSIONAL SUMMARY

As President of Pyramid Environmental, Mr. Canavello oversees all aspects of company performance, including finances, marketing, and operations. He is the principal employee involved in assessment and analysis of economic benefits and alternatives relating to client environmental issues. With more than 22 years of experience in hydrogeological, geological, and environmental investigations, Mr. Canavello's experience includes management, design, and implementation of hydrogeological, geochemical, and geophysical investigations, as well as the design and implementation of soil and groundwater remediation projects. Having experience in performing over 60 Phase I Environmental Site Assessments (ESA), he is also a member of the ASTM Committee E-50 on Environmental Site Assessment and has played an active role in the development of Standard E.1527.

RELEVANT PROJECT EXPERIENCE

Project Manager, Wallops Island Tank Farm, Wallops Island, VA.

Mr. Canavello designed and implemented a site-specific geological assessment of a jet fuel tank farm at the NASA Wallops Island facility. Duties included supervision of monitoring well installation and soil gas surveys; design and supervision of a ground penetrating radar survey of the facility; and preparation of a report to the client detailing the costs of remediation options for the site.

Project Leader, Environmental Protection Agency (EPA), Fried Industries, New Brunswick, NJ.

Mr. Canavello designed and supervised an environmental investigation at the Fried Industries Superfund site in New Jersey. His original scope of work involved review of aerial photographs and other data, and design of the initial sampling plan. He then designed and supervised substantial geophysical investigations, and designed a second sampling plan. Mr. Canavello supervised and organized the remedial investigation and feasibility study for the site.

Project Manager, Low Level Nuclear Siting Study, Southern Illinois.

Mr. Canavello designed and supervised a multi-well pump test for a major siting study in Illinois. This program included the drilling and development of 18 monitoring wells in the area. Duties included supervision of drilling and well development activities, set-up and monitoring of pump test equipment, QC, and data transfer.

Project Manager, Textile Plant, Laurinburg, NC.

Mr. Canavello conducted a Phase II ESA to determine if groundwater contamination was present at an industrial facility encompassing an area of approximately 10 acres where potential dumping of chemical solvents had occurred. A network of groundwater monitoring wells was installed at both surface water table depths and at bedrock. The locations of the groundwater monitoring wells were determined by analysis of aerial photography, interviews with former plant employees, and physical evidence remaining on site.

APPENDIX B

Wetlands Map



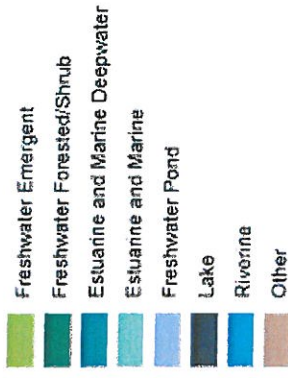
U.S. Fish and Wildlife Service

National Wetlands Inventory

Wetlands Map

Jan 4, 2013

Wetlands



This map is for general reference only. The US Fish and Wildlife Service is not responsible for the accuracy or currentness of the base data shown on this map. All wetlands related data should be used in accordance with the layer metadata found on the Wetlands Mapper web site.

User Remarks:

4686 Turnpike Court Thomasville, NC

APPENDIX C

Flood Map



GRID NORTH
MAP SCALE 1" = 500' (1 : 6,000)



Subject Property

JAY MAC CT
NUGGETT CT

MCWAY CT

SINK FARM RD

City of Thomasville
370082

CITY OF THOMASVILLE
CITY OF TRINITY

City of Trinity
370625

Monty Wendenhall Airfield

PANEL 6797J

FIRM FLOOD INSURANCE RATE MAP NORTH CAROLINA

PANEL 6797

SEE LOCATOR DIAGRAM OR MAP INDEX FOR FIRM PANEL
LAYOUT

CONTAINS

COMMUNITY

RAVENSCLIFF COMMUNITY
THOMASVILLE, CITY OF
TRINITY, CITY OF

CID No. PANEL SUFFIX

370082 6797 J

370625 6797 J

Notice to User: The Map Number shown below should be used
when placing map orders. The Community Number shown above
should be used on insurance applications for the subject
community.

EFFECTIVE DATE MAP NUMBER
JANUARY 2, 2008 3710679700J



State of North Carolina
Federal Emergency Management Agency

This is an official copy of a portion of the above referenced flood map. It
was extracted using F-MIT On-Line. This map does not reflect changes
or amendments which may have been made subsequent to the date on the
title block. For the latest product information about National Flood Insurance
Program flood maps check the FEMA Flood Map Store at www.msc.fema.gov

APPENDIX D

Historical Aerials and Topographic Maps

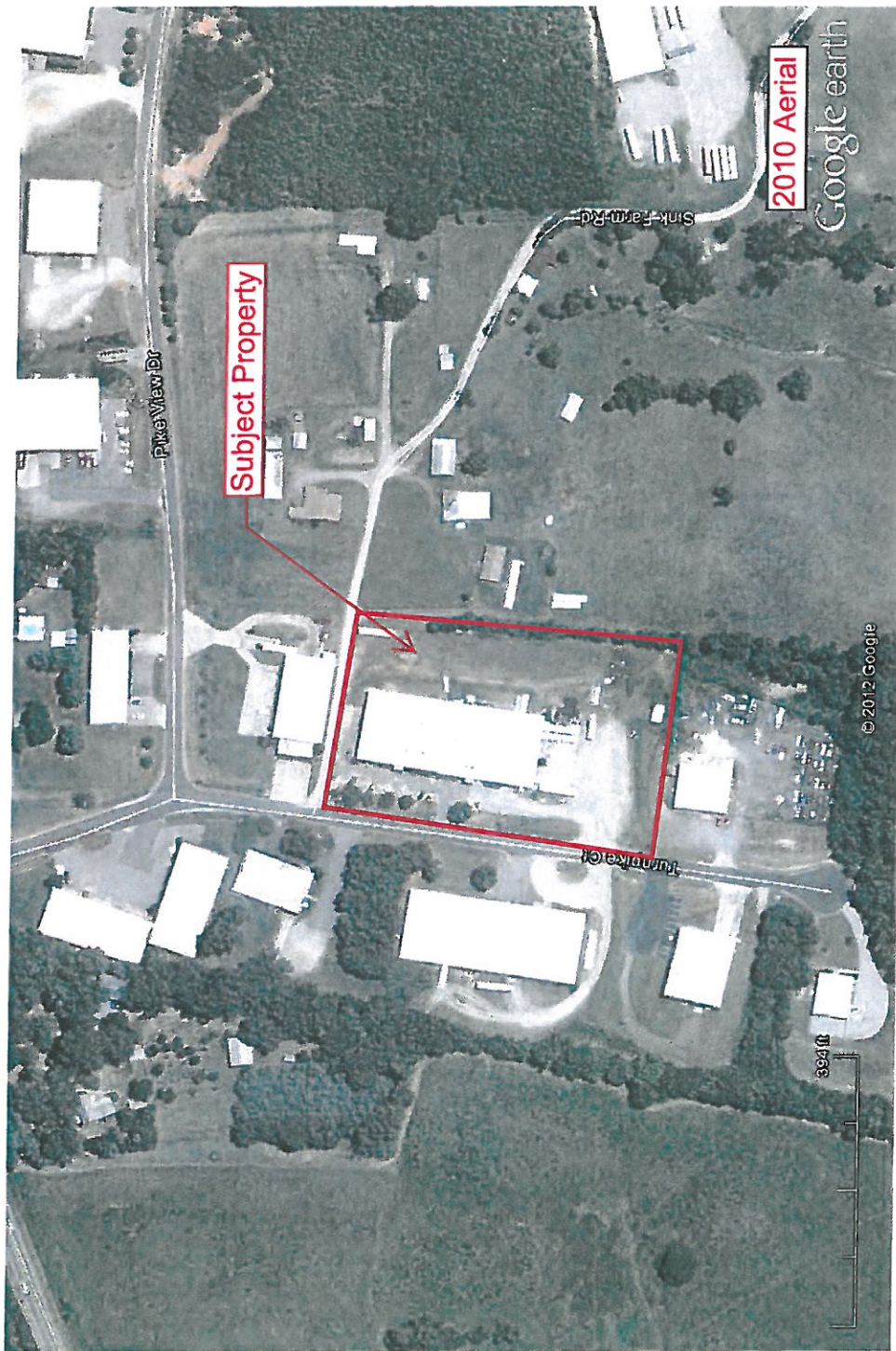


Google earth

feet
meters

900
300





Google earth

feet
meters

900
300





2006 Aerial

Google earth

© 2012 Google

Google earth

feet
meters

900
300



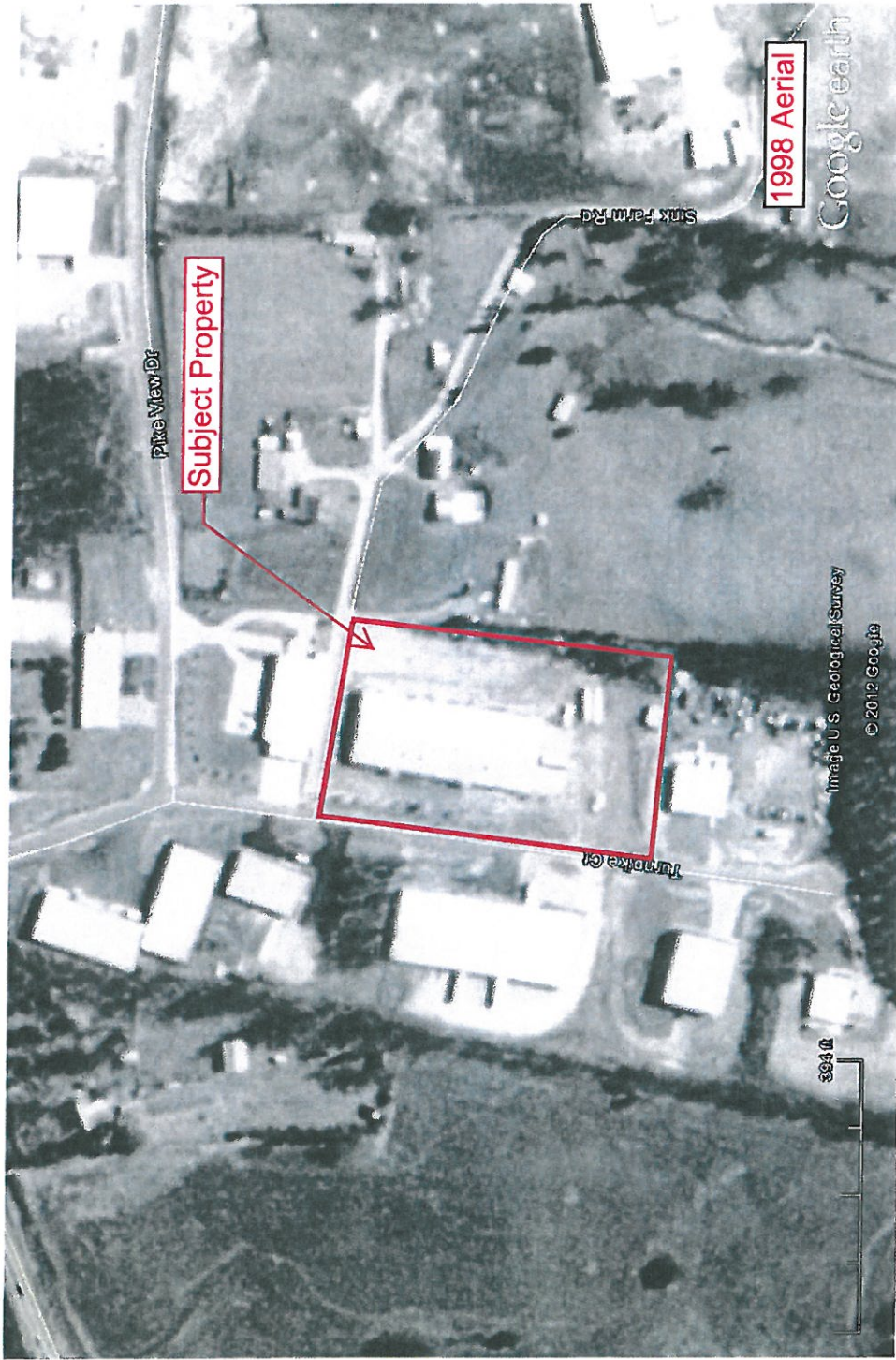


Google earth

feet
meters

900
300





1998 Aerial

Subject Property

Pike View Dr

Sink Farm Rd

Turnpike Ct

Image U.S. Geological Survey
© 2012 Google

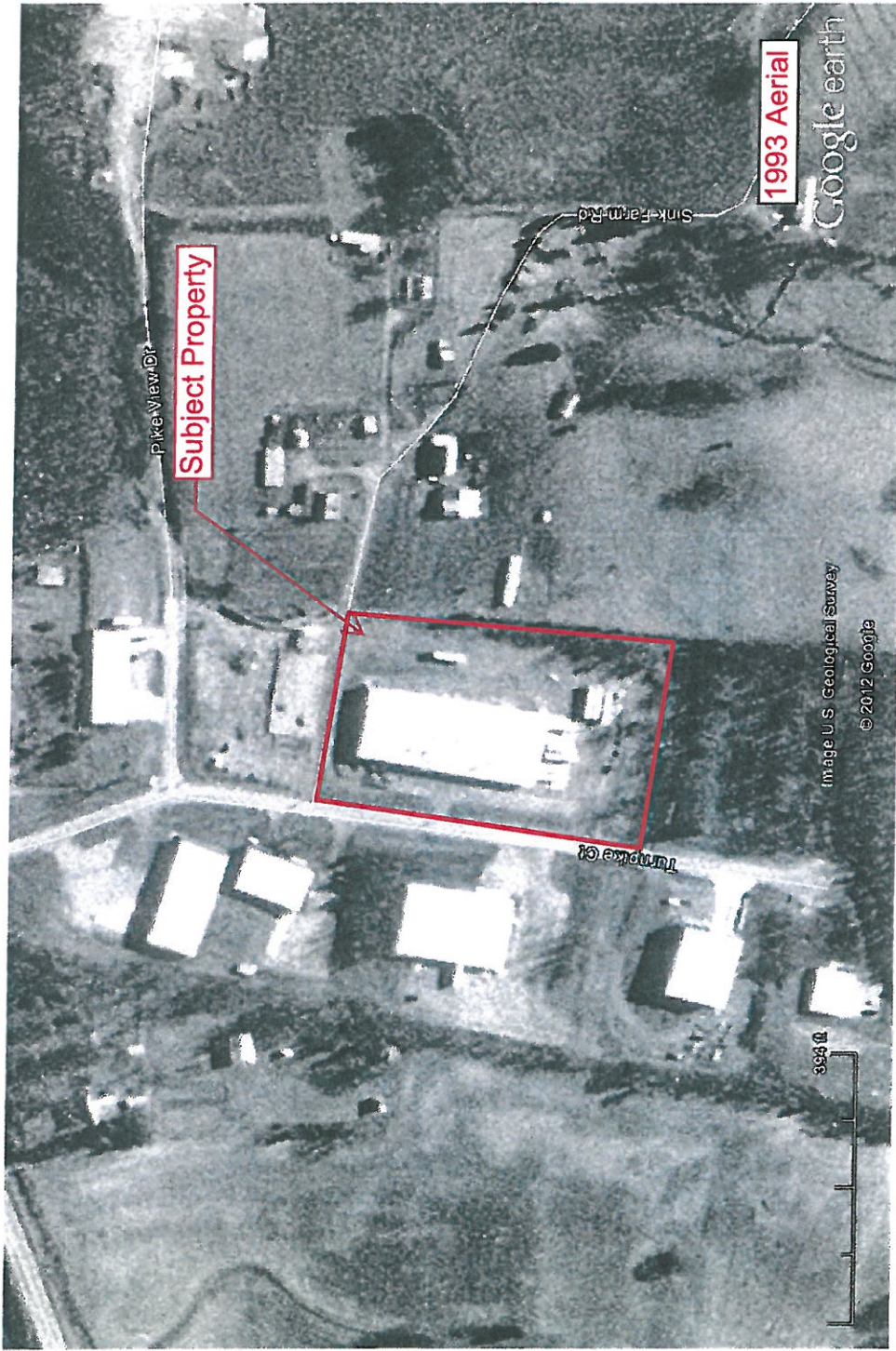
394 ft

Google earth

feet
meters

900
300



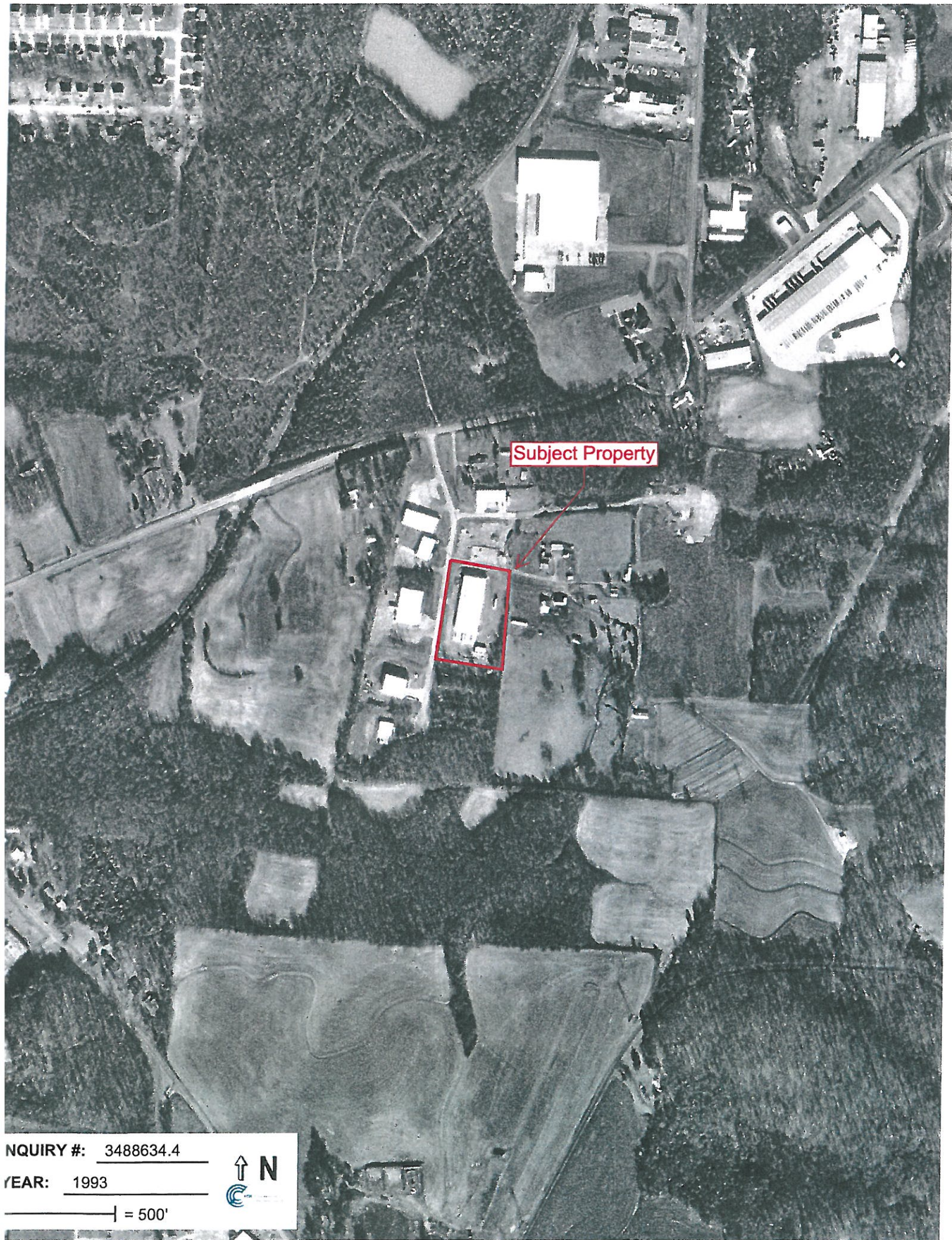


Google earth

feet
meters

900
300





INQUIRY #: 3488634.4

YEAR: 1993

| = 500'





INQUIRY #: 3488634.4

YEAR: 1983

| = 500'



7-1-17

Subject Property

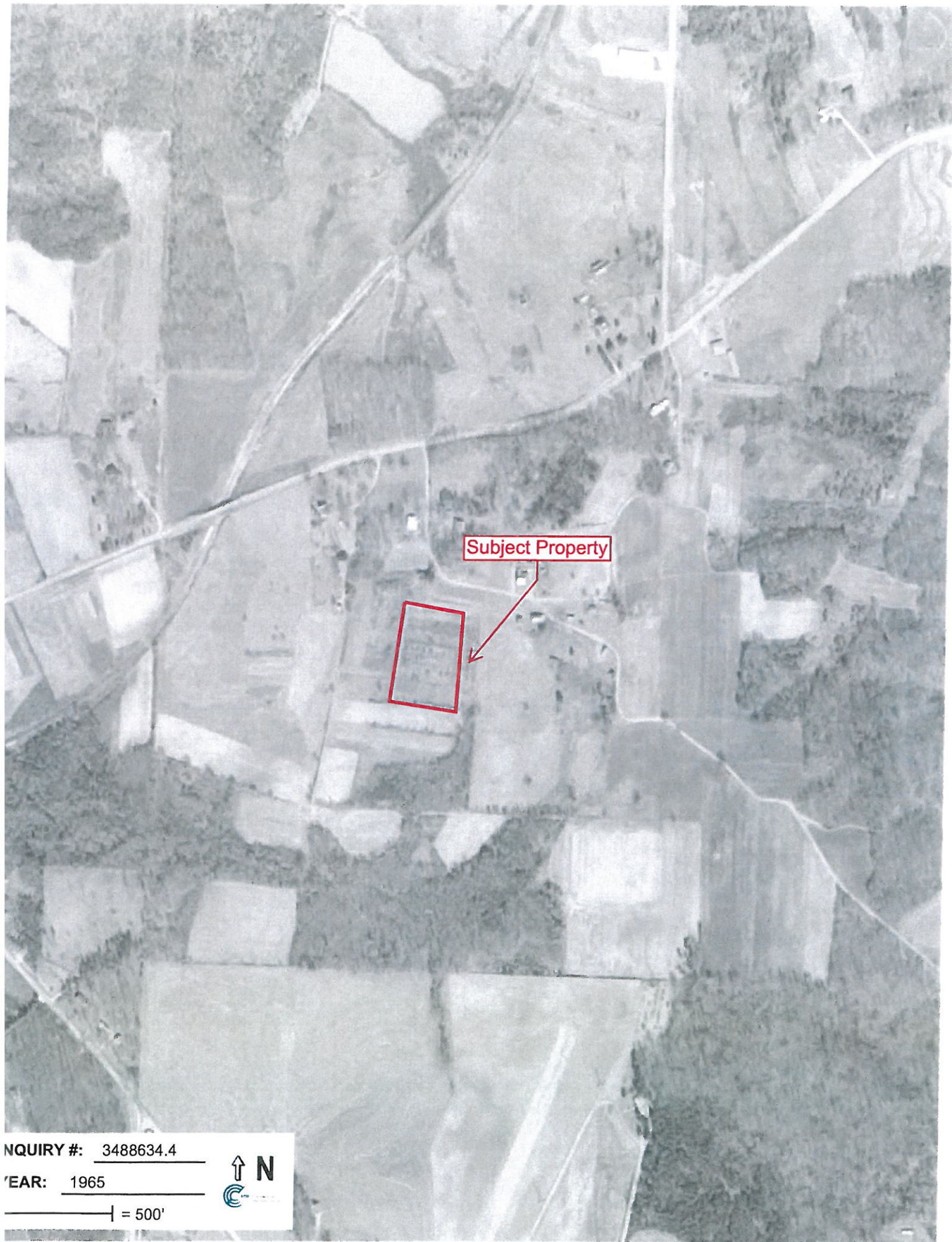


INQUIRY #: 3488634.4

YEAR: 1968

| = 500'





Subject Property

INQUIRY #: 3488634.4

YEAR: 1965

1" = 500'





Subject Property

INQUIRY #: 3488634.4
YEAR: 1948
| = 1000'

